



AMERICAN FARM BUREAU FEDERATION®

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March 27, 2001

The Honorable Jim Nussle
Chairman
House Budget Committee
Washington, DC 20510

Dear Mr. Chairman:

Recently, you have received correspondence from a coalition of agricultural organizations requesting assistance in providing significant additional funding for agriculture over the next ten years. Since that time, the House Budget Committee reported House Concurrent Resolution 83, establishing the U.S. budget for fiscal year 2002. While Farm Bureau continues to monitor and evaluate the pressing needs facing agriculture, we support H. Con Res 83.

Again, we reiterate our strong belief that agriculture will need additional emergency assistance in FY2001. While the budget resolution makes no specific monetary recommendation, it does provide for assistance later this year for producers of program crops, specialty crops and for other critical needs with current 2001 on-budget surplus funds, estimated at \$90 billion.

Farm Bureau has continually stressed the importance of including additional agricultural budget authority for each of the years remaining in the Budget Resolution (FY2003-FY2011) to avoid continued requests for ad hoc assistance packages. According to the budget resolution, agriculture's funding needs for the ten-year budget baseline were guaranteed priority status, along with the Department of Defense, in securing a share of the ten-year \$517 billion reserve fund. This is contingent on the notification by the House Agriculture Committee of reported language reauthorizing title I, commodity provisions of the 1996 Federal Agriculture Improvement and Reform Act, by July 11.

Farm Bureau believes that Congress needs to consider providing necessary funds to cover the options currently being evaluated by the Senate and House Agriculture Committees as essential elements of the new farm bill. These include:

- A fixed payment for program commodities (such as the current AMTA and oilseed payments);
- Rebalancing in the Marketing Assistance Loan program;
- A counter-cyclical assistance program;
- Export programs;
- Conservation incentive programs;
- Assistance to livestock and crop producers for compliance with environmental and regulatory requirements;
- Research; and

- Assistance for non-program crop commodities

We strongly believe that an increased level of investment in agriculture is critical to both the short-term and long-term health of American agriculture. We urge adoption of House Concurrent Resolution 83.

Sincerely,



Bob Stallman
President